

March 31, 2004

Opening Statement by Congressman Paul E. Gillmor
House Financial Services Committee
Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises
Hearing entitled, "Working with State Regulators to Increase Insurance Choices for
Consumers"

Thank you, Mr. Chairman, for calling this important hearing and for your continued leadership on this issue. Over the past three years, this committee has held fourteen hearings and roundtables on the need for insurance regulatory reform and, just recently, Full Committee Chairman Oxley and Subcommittee Chairman Baker developed a series of goals and concepts to guide our ongoing debate in this regard.

I look forward to our discussion this morning of ways to make our state regulated insurance system more efficient, uniform, and effective for all its customers. After our extensive review of this issue, I think we can all see how consumers would benefit from more uniform standards and processes for product review and sales oversight nationwide.

I know that Ohio's consumers and specifically the residents of Ohio's Fifth District are pleased with the job that our Department of Insurance Director Ann Womer Benjamin is doing to make Ohio's insurance industry accessible and accountable to consumers, to sustain the vitality of the insurance industry in Ohio.

However, last year's General Accounting Office (GAO) report that detailed "inconsistent and often spotty coverage from state to state and potential gaps in consumer protection" in the insurance industry needs to be addressed.

We have a great starting point for our discussion today with Chairmen Oxley and Baker's proposal and I look forward to a productive session.